GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1000
ANSWERED ON:27.02.2001
FOREIGN CONTRIBUTION (REGULATION) ACT,1976
DR. KIRIT SOMAIYA;GANGASANDRA SIDDAPPA BASAVARAJ;SUDARSANA E.M. NATCHIAPPAN

Will the Minister of HOME AFFAIRS be pleased to state:

(a) the rule and guidelines to receive foreign donations by the NGOs etc.

(b) whether the Government have relaxed the rules and guidelines to receive foreign donations by the NGOs and social institutions in Gujarat to assist the earthquake victims;

(c) if so, the details thereof;

(d) the total foreign contribution received by NGOs in Gujarat so far, country-wise; and

(e) the manner in which the Government is going to monitor this help?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (CH. VIDYASAGAR RAO)

(a): Under the provisions of the Foreign Contribution(Regulation)Act, 1976 an association having a definite cultural, economic, educational, religious or social programme can accept foreign contribution after being granted registration or prior permission by the Central Government.

(b)&(c): Yes, Sir. The Central Government has exempted, with effect from 1st February, 2001 and up to 31st March, 2001 all associations (other than a political party) of the nature mentioned above from the provisions of section 6(1A) of the Foreign Contribution (Regulation) Act,1976 to accept foreign contribution, in cash and kind, without obtaining the formal approval of the Central Government subject to the following conditions:-

(i) Each association would open a new bank account for this purpose;

(ii) The said account would be designated as the `Gujarat Earthquake Relief Account;

(iii) The association would receive foreign contribution only in the said designated bank account;

(iv) The association would maintain a separate set of accounts and records in respect of the foreign contribution received in the said designated bank account;

(v) The association would submit its particulars in Form FC-1A to the Foreigners Division of the Ministry of Home Affairs within one week of the opening of the said designated bank account; and,

(vi) The association would make an intimation regarding receipt of foreign contribution in form FC-3 and in form FC-6 in respect of articles, duly certified by a Chartered Accountant, within 4 months of the closure of the year to the Foreigners Division of the Ministry of Home Affairs in the manner prescribed in the Foreign Contribution (Regulation) Rules, 1976.

(d): The returns for the year 2000-2001 are not yet due.

(e): The utilisation of foreign contribution received by associations under the above special dispensation would be monitered through the returns submitted by them in the prescribed manner.